# WIC Operating Rules and Technical Implementation Guide

# The Condensed Version

## Wednesday, October 27th

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# Introduction

- The WIC Operating Rules (ORs) and Technical Implementation Guide (TIG) documents are tools for implementing, managing and understanding WIC EBT.

- WIC Operating Rules (ORs) explain "WHAT" is to be done

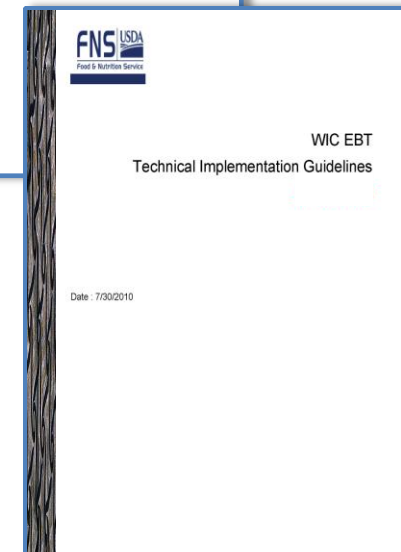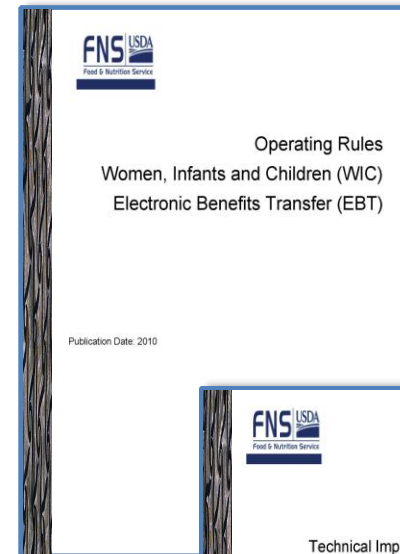- Technical Implementation Guide (TIG) explains "HOW" it is to be done

## What you'll learn from this session…

- describe how the ORs and TIG were developed

- identify major sections of the ORs and TIG to reference when planning and implementing WIC EBT

- describe how ORs and TIG will be updated and amended in the future

## Most importantly, how and why they help you get your job done!

# **Agenda**

- What are the WIC Operating Rules?

- What is the Technical Implementation Guide?

- How were the ORs and TIG developed?

- Operating Rules walk-thru

- Technical Implementation Guide walk-thru

- Updates and revisions to document

# What are the WIC Operating Rules?

- Supplement and clarify the FNS Regulations and policy memos regarding WIC EBT

- Serves as a Reference tool for questions on WIC EBT Online and Smart Card programs

- Contains 16 Sections defining rules for processing WIC EBT transactions

- Standardizes processing by all WIC players

- Supports faster , consistent implementation of WIC EBT solutions

# What do these business rules mean to me when we implement WIC EBT?

- State Agencies and ITOs – criteria for evaluating systems and processes

- WIC Retail Vendors – consistent requirements across implementations

- Developers – Common coding requirements with options for customization

- Third Party Processors – opportunities to leverage services for economies of scale

# What is the Technical Implementation Guide?

- WIC EBT interpretation of the ANSI X9.93 EBT standards

- Supplements the X9.93 Standards

- Currently covers Online EBT messages processing; will describe Smart Card message processing (card to terminal) in the future

- Covers Online and Smart file processing for the Auto-Reconciliation file, Hot Card List and UPC/PLU file (Authorized Product List)

- Used as a reference to validate specifications and certifications for WIC EBT programs

# How were the ORs and TIG developed?

**Convened Stakeholders**

WIC State Agencies, EBT Card Issuer Processors, Third Party Processors, Acquirers, WIC Vendors, POS/ECR developers, FNS headquarters and regional staff

**Gathered and reviewed issues**

Listed and reviewed over 125 business, operational and technical issues

**Discussed Solutions**

Held over 30 conference calls and 5 face-to-face meetings over past year

**Documented Results**

WIC Operating Rules and Technical Implementation Guide published

# Operating Rules walk-thru

- What is WIC EBT?

- What is Smart Card and Online EBT?

- Who are the players?

- What must WIC Vendors do?

- What must the Point of Sale do?

- What must the WIC State Agency or their processor do?

- How is risk and security handled?

- What is needed to create an Authorized Product List (APL)?

- What is Clearing, Settlement and Reconciliation?

- What testing and certification is required?

- What is needed to resolve disputes?

# Operating Rules walk-thru - Introduction

- What is WIC EBT? (Introduction)

    Section A provides an overview of the WIC EBT program and defines the players and high level processing

- What is Smart Card and Online EBT?

    Section A.2.1 describe Online EBT processing

    Section A.2.2 describes Smart Card EBT processing

- Who are the players?

    Section A defines the roles of the Acquirer, WIC Vendor, Card Acceptor Devices, Card Issuer, WIC Cardholder

# Operating Rules walk-thru – Acquirer side

- What must WIC Vendors do?

  Sections 3 and 4 describes the requirements for Acquirers and Authorized WIC Vendors

- What must the Point of Sale do?

  Section 5 describes the requirements for Card Acceptor Devices (Point of Sale terminals, Electronic Cash Registers)

# Operating Rules walk-thru – Issuer side

- What must the WIC State Agency or their processor do?

- Section 6 describes requirements for  the Card Issuer (WIC State Agency/ITO) and their processor

- Section 7 describes requirements for Cardholders

- Section 8 describes requirements for the EBT Card
    - numbering
    - physical characteristics
    - encoding
    - branding

# Operating Rules walk-thru – Risk Management

- How is risk and security handled?

- Section 9 describes requirements for risk management and security including:

  - PINs

  - Keys

  - Data

  - Stand-in processing (store and forward)

  - Hot Card Lists

# Operating Rules walk-thru - APL

- What is needed to create an Authorized Product List (APL)?

  Section 10 introduces File handling rules

  Section 11 describes requirements for the Authorized Product List file including:

    - WIC State Agency APL creation

    - Cash Value Benefit (CVB) information on APL

    - Mapping the APL to WIC Vendor products

    - Distributing and updating the APL

# Operating Rules walk-thru - Payment

- What is Clearing, Settlement and Reconciliation?

  Section 12 covers the rules for:

  Clearing – submission of the transactions by the WIC Vendor

  Settlement – paying the WIC Vendor for approved transactions

  Reconciliation – providing files and reports to reconcile the submitted transactions to the payment

# Operating Rules walk-thru – Test and Certs

- What testing and certification is required?

    Section 13 provides a brief overview of testing and certification requirements

    Detailed testing and certification scripts are available for Smart Card and Online EBT implementations

# Operating Rules walk-thru – Disputes

- What is needed to resolve disputes?

    Section 14 defines Dispute Resolution as conditions where one or more parties to a WIC transaction have or may incur financial loss.

    Section 14 describes the rules for:

    - Processing disputes

    - Dispute timeframes

    - Documentation required

    - Dispute types

# Operating Rules walk-thru – other sections

- Section 15 is reserved for Reporting Requirements

- Appendix A is a glossary of terms and a list of abbreviations

- Appendix B has Exhibits

- Appendix C list reference materials

# Technical Implementation Guide

- How are Online EBT transactions processed?

- How are Online EBT messages built?

- How are Smart Card EBT transactions created?

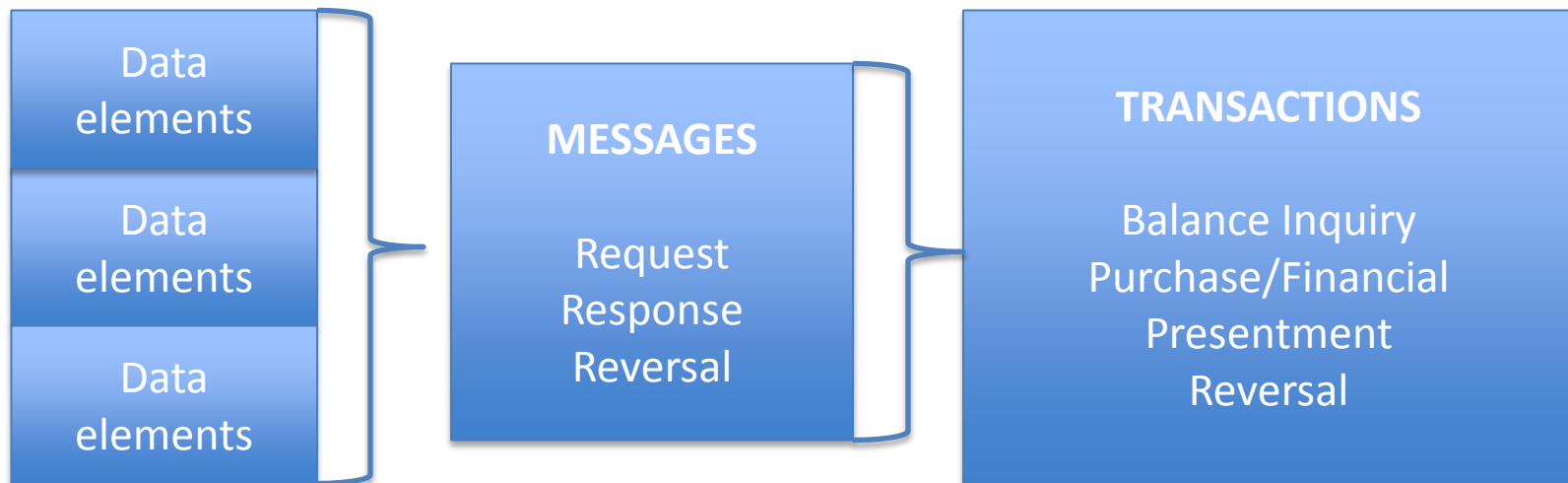- How are WIC files built?

UPC/PLU file (APL)

Hot Card List

Auto-recon file

Claim file

# Technical Implementation Guide – Online EBT

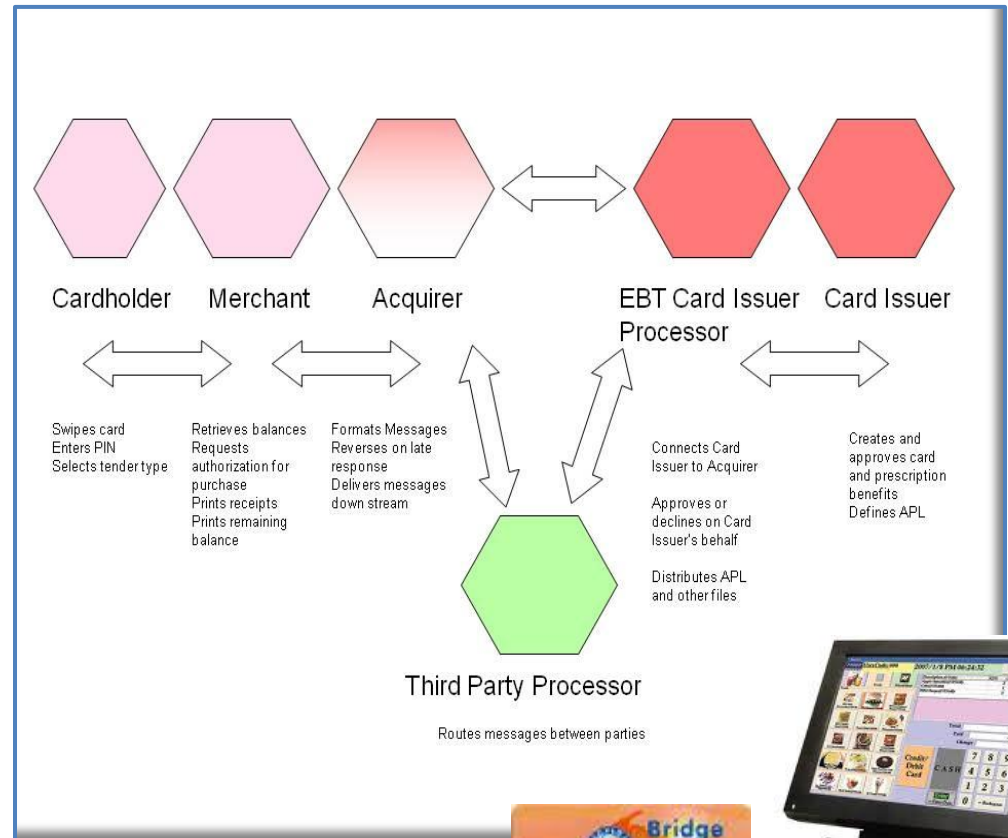- How are Online EBT transactions processed?

  Sections 5 through 8 of the TIG describe the data, messages and transactions used in Online EBT processing

| Data elements | MESSAGES | TRANSACTIONS |
| --- | --- | --- |
| Data elements | Request | Balance Inquiry |
| Data elements | Response | Purchase/Financial |
| | Reversal | Presentment |
| | | Reversal |

# Technical Implementation Guide – Online EBT
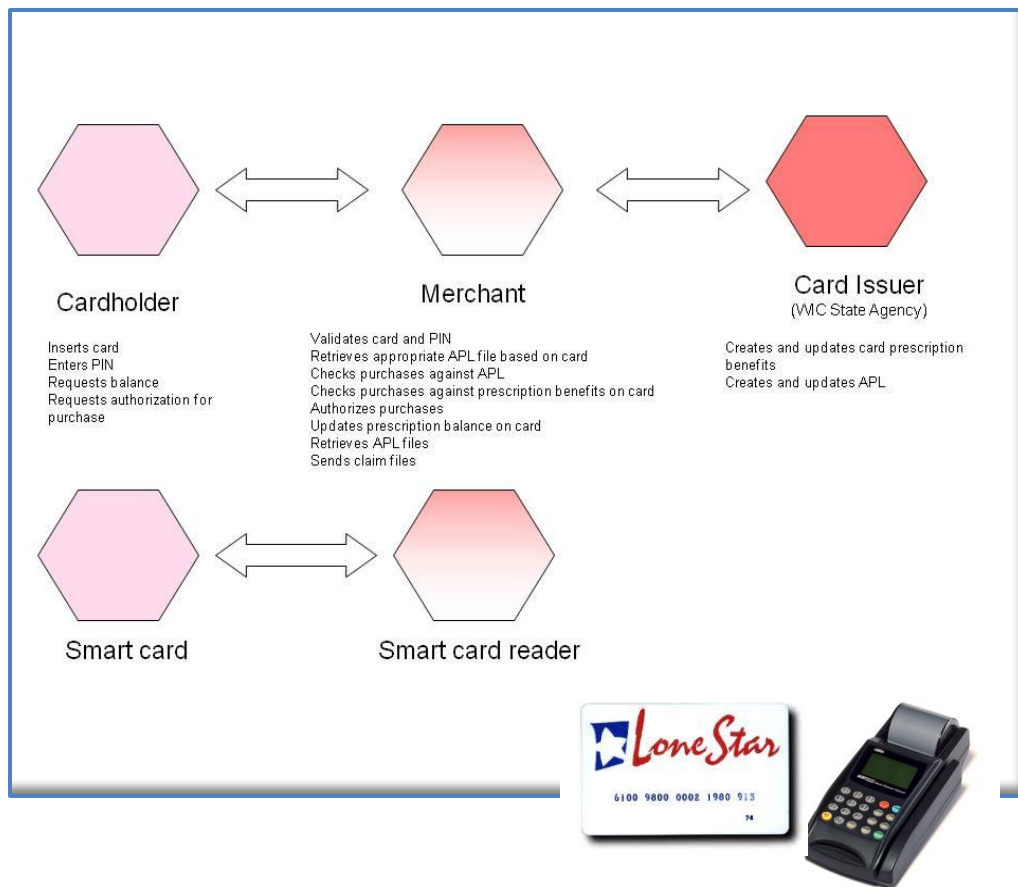
- How are Online EBT transactions processed?

  Sections 5 through 8 of the TIG also describes the processing rules for the data elements, messages and transactions used in Online EBT processing



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# Technical Implementation Guide – Smart Card EBT

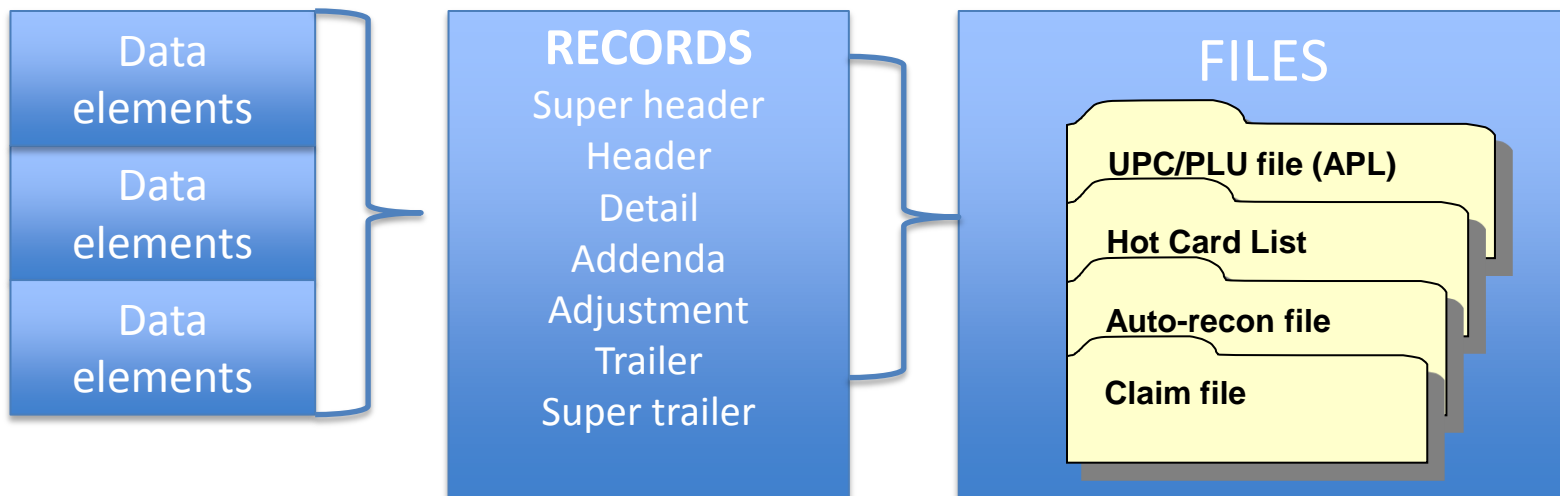- How are Smart Card EBT transactions created and processed?

  Documentation on Smart Card message processing between the card and card reader is being updated and will be available in a later version

# Technical Implementation Guide – Files

- How are WIC files built?

  Section 10 of the TIG describes how WIC files are built from data elements (fields) and records

| Data elements | RECORDS |
|---|---|
| Data elements | Super header |
| Data elements | Header |
| | Detail |
| | Addenda |
| | Adjustment |
| | Trailer |
| | Super trailer |

FILES
- UPC/PLU file (APL)
- Hot Card List
- Auto-recon file
- Claim file

# Updates and revisions to documents

- WIC Operating Rules

    - Change requests can be submitted by stakeholders to FNS

    - The Operating Rules will be amended  to incorporate approved changes by publishing  policy updates

    - The policy updates will be integrated in subsequent revisions of the Operating Rules

- Technical Implementation Guide

    - TIG will be used to update the X9.93 standards to Version 5

    - TIG will be updated to eliminate items incorporated in X9.93 standards

# Conclusion

- The WIC Operating Rules and Technical Implementation Guide were developed over the past year with input from all stakeholders to resolve issues and standardize solutions

- The Operating Rules describe "WHAT" WIC State Agencies, Processors, WIC Vendors and POS/ECR vendors shall do to accept, process, settle and reconcile WIC transactions.

- The Technical Implementation Guide describes "HOW" these parties build and exchange messages and files in a WIC Smart Card or Online EBT implementation.

- The Operating Rules will be updated by FNS to maintain standards across WIC EBT.

- The Technical Implementation Guide will be updated by FNS as technology advances.

# References

- *Operating Rules – Women, Infants and Children (WIC) – Electronic Benefits Transfer (EBT),* Draft V4.2, August 2010

- *WIC EBT Technical Implementation Guide,* Draft V3.0, August 2010

- *ANS X9.93:2008 Financial transaction messages – Electronic benefits transfer (EBT) – Part 1: Messages and Part 2: Files*

## Older references used in developing ORs and TIG:

- *WIC EBT System Implementation of WIC Cash Value Voucher (CVV), September 2008, USDA/FNS*

- *WIC Electronic Benefit Transfer (EBT) System Development, Implementation, and Expansion – 5-Year Plan – (2003-2008)*